

Historic, Archive Document

Do not assume content reflects current
scientific knowledge, policies, or practices.

A280.3449
C39

RESERVE

MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE, MARKETING AREA

Volume 16

JUNE 1972

Number 11

Released Pursuant to \$1000.3 and \$1090.85, USDA - AMS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. E. Bobo, Market Administrator

MARKET SUMMARY - JUNE 1972

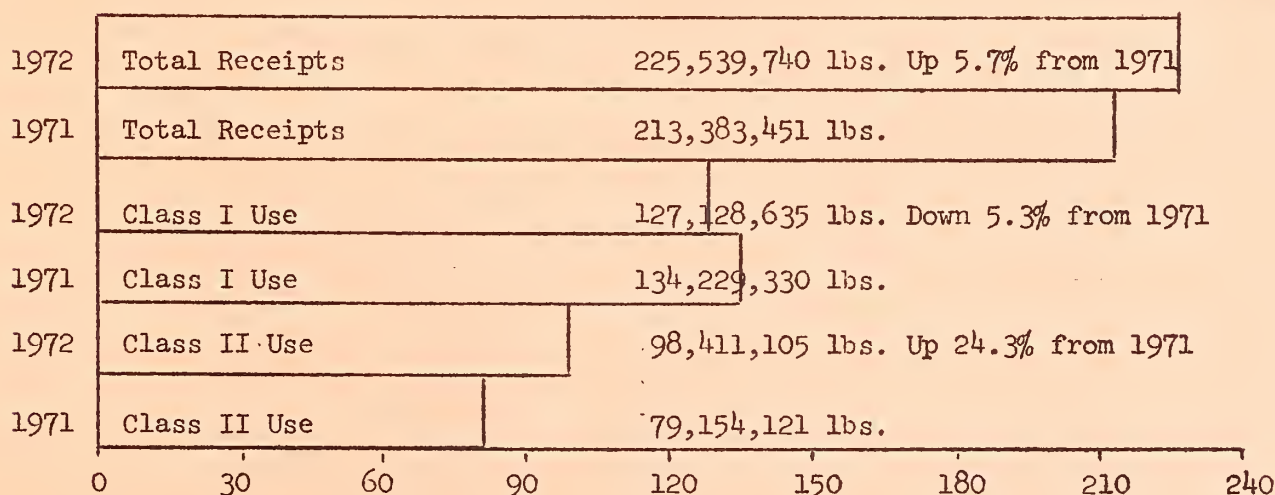
The Chattanooga Order MINIMUM uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - \$6.30 and Excess Milk - \$4.95. The producer butterfat differential is 8.0 cents for each one-tenth of one percent above or below 3.5% test. This is a Base and Excess price increase of 21 cents and 19 cents respectively above June 1971.

In June 1972, 57.5% of producer milk received by pool plants was priced in Class I at \$7.11 per cwt. and 42.5% was priced in Class II at \$4.95 per cwt. The June butterfat differential for Class I was 8.1 cents and Class II was 7.8 cents.

Total producer milk received during June 1972 was 35,521,487 pounds which is a decrease of 1,736,888 pounds or 4.7% compared with June 1971. Deliveries of producer Base milk exceeded producer milk used in Class I by 12,235,982 pounds or percentagewise only 62.5% of Base milk was used in Class I. The June daily average deliveries from 745 producers was 1,589 pounds. This compares to 886 farms delivering a daily average of 1,402 pounds per day during June 1971.

PRODUCER MILK - RECEIPTS AND CLASSIFICATION

January thru June



(Million Pounds)

COMPARISON OF MILK RECEIPTS AND UTILIZATION

Page 2	% Jun. '72			
	Over	June	May	June
	<u>Jun. '71</u>	<u>1972</u>	<u>1972</u>	<u>1971</u>
Number of Plants - Pool		7	7	7
- Non-Pool		14	14	13
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	- 4.7	1,184,050	1,268,052	1,241,946
Other Source	+30.6	38,460	63,980	29,447
Other Federal Orders	+64.6	124,117	140,450	75,405
TOTAL MILK RECEIPTS	-	1,346,627	1,472,482	1,346,798
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	+ 8.1	428,390	436,634	396,127
Skim	+ 7.5	22,049	21,051	20,510
2% Milk	+19.5	144,600	135,429	121,015
Buttermilk	+ 8.2	60,896	57,456	56,260
Flavored Milk and Drink	+29.9	23,743	21,528	18,277
Creams (Sweet and Sour)	+14.7	3,855	3,804	3,360
Yogurt	- 9.0	636	798	699
Sub-Total - Pkg. Products (Pool Plants)	+11.0	684,169	676,700	616,248
Other (Shrinkage, Inventory, etc.)		8,950	2,982	2,699
Sales to Non-Pool Plants		36,313	26,195	89,560
In-Area Sales by Non-Pool Plants	+11.0	42,510	50,022	38,313
TOTAL CLASS I MILK	+ 3.4	771,942	755,899	746,820
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	+19.3	79,961	66,023	67,048
Cottage Cheese	+10.5	54,085	49,291	48,954
Powdered and Condensed Milk		2,101	39,860	2,818
Livestock Feed and Milk Dumped		8,613	10,262	6,243
Sub-Total - Used to Produce	+15.7	144,760	165,436	125,063
Shrinkage Class II		18,789	16,679	14,230
Other (Inventory Variation, etc.)		(17,807)	(24,571)	3,795
Bulk Sales to Non-Pool Plants		428,943	559,039	456,890
TOTAL CLASS II MILK	- 4.2	574,685	716,583	599,978
Class I Pkg. Lbs. In Area - Pool Plants	+ 7.7	500,949	502,235	465,227
Class I Pkg. Lbs. Out of Area-Pool Plants	+21.3	183,220	174,465	151,021
Class I Pkg. Lbs. In Area - Non-Pool Plants	+11.0	42,510	50,022	38,313
% Producer Milk of Gross Class I		153.4	167.8	166.3
% Producer Milk Priced in Class I		57.5	52.3	56.1

CLASS I DAILY AVERAGE POUNDS ON ROUTES IN THE MARKETING AREA
BY OTHER ORDER PLANTS AND PARTIALLY REGULATED DISTRIBUTING PLANTS

	<u>% '72/'71</u>	<u>Jun. 1972</u>	<u>May 1972</u>	<u>Jun. 1971</u>
Homo Milk	+ 9.6	30,371	37,663	27,708
Skim	+ 8.0	309	276	286
2% Milk	+28.3	7,037	6,667	5,484
Buttermilk	- 4.6	3,250	3,182	3,408
Flavored Milk and Drink	+ 8.4	1,469	2,186	1,355
Creams (Sweet and Sour)	+ 2.8	74	48	72
Total Daily Average Disposition	+11.0	42,510	50,022	38,313
Number of partially regulated plants		2	2	2
Number of other order plants		<u>12</u>	<u>12</u>	<u>11</u>
Total Non-Pool plants		14	14	13

COMPUTATION OF PRODUCER UNIFORM BASE AND EXCESS PRICES
AND WEIGHTED AVERAGE PRICE

Page 3

June 1972	Class %	Milk Pounds	Butterfat Test-%	Cwt. Price @ Test	Gross Value
Gross Class I		23,158,247	3.037		
Less Other Source		2,743,300	2.443		
Producer Milk Class I	57.5	20,414,947	3.117407	\$6.800100	\$1,388,236.81
Gross Class II		17,240,554	4.263		
Less Other Source		2,134,014	3.109		
Producer Milk Class II	42.5	15,106,540	4.425593	5.671963	856,837.36
TOTAL PRODUCER MILK (Cl. I + Cl. II)	100.0	35,521,487	3.673751		\$2,245,074.17
Less Fractional Adjustment					14
Add Value of Inventory Reclassified					55.67
Add Value of Class Other Source and Producer Location Adjustment		4,187	0.00		3,423.46
Add 1/2 Producer-Settlement Fund Reserve					16,308.54
TOTAL VALUE AT TEST		35,525,674	3.673318	\$6.375281	\$2,264,861.70
Less Test over 3.5% @ 8.0¢ per point		35,525,674	.173318	0.138654	49,257.77
TOTAL UTILIZATION VALUE AT 3.5% TEST		35,525,674	3.5	\$6.236627	\$2,215,603.93
Less Reserve per \$1090.71 (F)		35,525,674		.046627	
WEIGHTED AVERAGE PRICE - 3.5% TEST		35,525,674	3.5	\$6.19	
Less FMP from Unregulated Supply Plants Allocated to Class I @ Wt. Av. Price		4,187		\$6.19	259.18
TOTAL PRODUCER MILK VALUE @ 3.5% TEST		35,521,487			\$2,215,344.75

BASE AND EXCESS PRICES

	Pounds	Cwt. Price	Amount	
TOTAL PRODUCER MILK VALUE @ 3.5% TEST	35,521,487			\$2,215,344.75
Excess Producer Milk Used in Class I	-			
Excess Producer Milk Used in Class II	2,870,558	\$4.95	\$142,092.62	
UNIFORM EXCESS PRICE - 3.5% TEST	2,870,558	4.95		142,092.62
Total Value of Base Milk	32,650,929	6.349749		\$2,073,252.13
Less Producer-Settlement Fund Reserve	32,650,929	.049749		16,243.51
UNIFORM BASE PRICE - 3.5% TEST	32,650,929	\$6.30		\$2,057,008.62

JUNE 1972 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 8.0¢ PER POINT (EXCLUDES PREMIUMS)

TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS	TEST-%	BASE	EXCESS
3.0	\$5.90	\$4.55	4.0	\$6.70	\$5.35	5.0	\$7.50	\$6.15
3.05	5.94	4.59	4.05	6.74	5.39	5.05	7.54	6.19
3.1	5.98	4.63	4.1	6.78	5.43	5.1	7.58	6.23
3.15	6.02	4.67	4.15	6.82	5.47	5.15	7.62	6.27
3.2	6.06	4.71	4.2	6.86	5.51	5.2	7.66	6.31
3.25	6.10	4.75	4.25	6.90	5.55	5.25	7.70	6.35
3.3	6.14	4.79	4.3	6.94	5.59	5.3	7.74	6.39
3.35	6.18	4.83	4.35	6.98	5.63	5.35	7.78	6.43
3.4	6.22	4.87	4.4	7.02	5.67	5.4	7.82	6.47
3.45	6.26	4.91	4.45	7.06	5.71	5.45	7.86	6.51
3.5	6.30	4.95	4.5	7.10	5.75	5.5	7.90	6.55
3.55	6.34	4.99	4.55	7.14	5.79	5.55	7.94	6.59
3.6	6.38	5.03	4.6	7.18	5.83	5.6	7.98	6.63
3.65	6.42	5.07	4.65	7.22	5.87	5.65	8.02	6.67
3.7	6.46	5.11	4.7	7.26	5.91	5.7	8.06	6.71
3.75	6.50	5.15	4.75	7.30	5.95	5.75	8.10	6.75
3.8	6.54	5.19	4.8	7.34	5.99	5.8	8.14	6.79
3.85	6.58	5.23	4.85	7.38	6.03	5.85	8.18	6.83
3.9	6.62	5.27	4.9	7.42	6.07	5.9	8.22	6.87
3.95	6.66	5.31	4.95	7.46	6.11	5.95	8.26	6.91

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT TEST)

Date	PRODUCER UNIFORM PRICES 1/				HANDLER CLASS PRICES 1/			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf. Dif.	Cwt.	Bf. Dif.	Cwt.	Bf. Dif.
June '71	\$5.95 2/	\$6.09	\$4.76	8.0¢	\$6.92	8.1¢	\$4.76	7.8¢
July	5.95 2/	6.09	4.77	8.0	6.91	8.1	4.77	7.8
Aug.	5.92	-	-	8.0	6.92	8.1	4.77	7.8
Sept.	6.30	-	-	8.0	6.92	8.1	4.83	7.8
Oct.	6.35	-	-	8.0	6.98	8.2	4.82	7.8
Nov.	6.25	-	-	8.0	6.97	8.2	4.84	7.8
Dec.	6.20	-	-	8.0	6.99	8.2	4.93	7.8
Jan. '72	6.22	-	-	8.0	7.08	8.2	4.97	7.8
Feb.	6.20	-	-	8.0	7.08	8.1	4.97	7.8
Mar.	6.23 2/	6.35	5.04	8.0	7.12	8.1	5.04	7.8
Apr.	6.10 2/	6.25	4.96	8.0	7.12	8.1	4.96	7.8
May	6.12 2/	6.26	4.94	8.0	7.19	8.1	4.94	7.8
June	6.19 2/	6.30	4.95	8.0	7.11	8.1	4.95	7.8
July	-	-	-	-	7.09	8.1	-	-
Aug.	-	-	-	-	7.10	-	-	-

Date	PRICE QUOTATIONS			PRODUCER MILK USE (Daily Average)			
	Chi. 92° Butter	Chi. Area Powder	Minn/Wisc Mfg. Milk	Class I		Class II	
	¢ Lb.	¢ Lb.	Cwt. -3.5%	Pounds	Test-%	Pounds	Test-%
June '71	67.78	31.55	\$4.76	696,375	3.19	545,571	4.27
July	67.78	31.63	4.77	693,356	3.22	543,645	4.25
Aug.	67.78	31.53	4.77	632,385	3.22	510,832	4.28
Sept.	68.13	31.63	4.83	872,513	3.28	336,032	4.84
Oct.	67.95	31.70	4.82	844,555	3.25	341,121	5.26
Nov.	67.94	31.61	4.84	795,557	3.28	407,740	5.22
Dec.	67.96	31.63	4.93	746,539	3.28	462,124	5.19
Jan. '72	67.79	31.31	4.97	736,232	3.25	488,801	5.16
Feb.	67.78	31.41	4.97	717,023	3.23	512,306	5.07
Mar.	67.78	31.44	5.04	715,940	3.18	524,310	4.79
Apr.	67.71	31.46	4.96	677,865	3.14	609,946	4.45
May	67.71	31.36	4.94	663,443	3.22	604,609	4.16
June	67.71	31.37	4.95	680,498	3.12	503,552	4.43

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLERS GROSS MILK 3/				PRODUCER DATA				
	No.	Total	Class I	Pool	No.	Total	Base	Average	Av. Per.
	Hdlers	Receipts	Use	Plants	Prod.	Delivery	Delivery	Test-%	Farm
June '71	20	1,346,798	746,820	7	886	1,241,946	1,117,489	3.67	1,402
July	21	1,372,089	791,680	8	905	1,237,001	1,109,761	3.67	1,367
Aug.	20	1,286,252	724,933	7	792	1,143,217	-	3.69	1,443
Sept.	20	1,356,381	967,949	7	789	1,208,545	-	3.71	1,532
Oct.	20	1,334,666	943,324	7	789	1,185,676	-	3.83	1,503
Nov.	20	1,366,329	899,192	7	767	1,203,297	-	3.94	1,569
Dec.	21	1,376,893	838,001	7	767	1,208,663	-	4.01	1,576
Jan. '72	21	1,395,476	827,841	7	765	1,225,033	-	4.01	1,601
Feb.	21	1,396,971	811,826	7	761	1,229,329	-	4.00	1,615
Mar.	21	1,416,663	804,428	6	754	1,240,250	1,129,789	3.86	1,645
Apr.	21	1,465,359	765,713	7	749	1,287,811	1,148,033	3.76	1,719
May	21	1,472,482	755,899	7	745	1,268,052	1,136,103	3.67	1,702
June	21	1,346,627	771,942	7	745	1,184,050	1,088,364	3.67	1,589

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I